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## **Appendix A. General Definitions**

**5-Foot Line Concept (Inside).** Any costs associated with a building and everything within an imaginary 5-foot line surrounding the building will be accountable to the building. This includes construction costs for the facility, such as architectural/structural, mechanical, and electrical work and the associated collateral equipment.

**5-Foot Line Concept (Outside).** Any costs associated with the building that are outside the imaginary 5-foot line will be accounted for separately from the building. This includes costs normally associated with developing the site, such as site clearance and demolition, earthwork and landscaping, storm and sanitary sewers, mechanical and electrical utilities, roads, bridges, marine facilities, and airfield pavements. This also includes construction costs associated with testing, excavation, removal, and treatment and disposal of hazardous contaminated soil, water, or groundwater.

**Acquisition.** Permanent and nonpermanent transfer of rights in real property to NASA. Permanent transfer includes purchase, condemnation, gift, and transfer from another Federal agency. Permanent acquisition is recorded as NASA-owned property in the RPMS. Non-permanent transfer includes lease, right-of-way, easement, permit, license, or other in-grant. Nonpermanent acquisition is recorded as in-grant, not as NASA-owned property.

**Bargain-Price Purchase Option.** A provision allowing the Government to purchase a leased property for a price that is lower than the expected fair market value of the property at the date the option can be exercised. The purchase price includes the value of any rebates or income to NASA or the Government resulting from purchase of the asset.

Beneficial Occupancy Date. The date a facility or real property asset is accepted by NASA for use.

**bReady Enterprise Portal.** The storefront that provides users single-sign-on into NASA Enterprise Applications Competency Center (NEACC) business applications, including the RPMS and MDI. It also provides information specific to the maintenance and enhancements of NEACC business systems. bReady is a role-based storefront and, as such, allows for collaboration and documentation sharing among specific groups.

**Building Support Type Equipment.** Equipment that is normally required to make a facility useful and operable. It is built in to the facility, and its removal would impair the usefulness, safety, or environment of the facility. Such equipment includes elevators, HVAC (heating, ventilating, and air-conditioning) systems, transformers, and compressors. It also includes systems and subsystems; such as electrical, plumbing, pneumatic, fire protection, and control and monitoring systems.

Buildings. Constructed assets, each with four walls and a roof.

**Built-in or Large, Substantially Affixed Equipment or Property.** The unit of equipment or property of any type other than building support equipment that, whether part of the original construction or modification, is built-in in such a manner that the installation costs including building envelope modifications, special foundations, and utility service exceed \$300,000.

Capital Improvements. Modifications to existing PP&E that meet or exceed the cost set forth in NPR 9250, extend

its useful life by two years or more, enlarge or improve its capacity, or otherwise upgrade it to serve needs different from or significantly greater than those originally intended.

**Capital Lease.** An in-grant that is equivalent to an installment purchase of property. In accordance with OMB Circular A-11, there are to be sufficient budgetary resources up front to cover the present value of the lease payments using U.S. Treasury interest rates. Any in-grant that does not meet the criteria for an operating lease and is not a lease-purchase is considered to be a capital lease.

**Capitalized Assets.** Assets with a unit acquisition cost that meets or exceeds the threshold set forth in NPR 9250.1, have an estimated useful life of two years or more, which are not intended for sale in the ordinary cost of operations, have been acquired or constructed with the intention of being used or being available for use by NASA, and have an alternative future use.

**Center Operations Directorate.** The Center organization that is responsible for ensuring the availability of real property and related services at NASA Centers. Although each Center may use a different name to refer to the organization that performs these functions, this NPR uses Center Operations Directorate to refer to the appropriate Center organizations.

**Collateral Equipment.** Includes building support equipment and built-in or large, substantially affixed equipment or property. Also includes related personal property as set forth in NPR 4300.

**Current Replacement Value (CRV).** The total escalated value of the original cost of a real property asset in present-day dollars. The CRV is not an estimated cost to rebuild or replace the asset, but is the book value of the asset escalated by the Building Cost Index found in the Engineering News-Record.

**Deconstruction.** The disassembly of a facility by the careful salvaging of reusable or recyclable elements.

**Demolition.** The tearing down of a facility to eliminate real property that is no longer needed.

**Disposition (Disposal).** Disposition is the permanent removal of a real property asset from the responsibility of a Federal entity through conveyance to another entity or destruction. Conveyance includes transfer of ownership or conversion to personal property. Destruction includes demolition, deconstruction, and natural or man-made events such as fire, earthquake, flood, or explosion.

**Easement.** A type of in-grant or out-grant that grants the right to access or use real property for a specific purpose. It may be temporary or permanent.

**Enhanced Use Lease (EUL).** EUL authority allows Federal agencies to enter into real estate agreements that grant, by lease to others, the use of underutilized federally owned real property. EUL authority allows the agency to retain and use the lease proceeds.

**Excess Real Property.** Real property under NASA control for which there is no current or foreseeable NASA requirement. Determination of excess status is made by the Center Director of the reporting Center and approved by the Director, FRED.

**Federal Real Property Profile.** The online system that houses the Federal real property inventory data. Agencies report data annually.

**Federal Transfer.** The process of permanently changing the ownership (custody and control) of real property from one Federal agency to another. GSA is authorized to perform this function on NASA's behalf.

**Holding Agency.** The agency responsible and accountable for property purchased for the United States from its appropriated funds or acquired by transfer from other Federal agencies, donations, or other means.

**In-Grant.** Nonpermanent transfer of real property rights to NASA by means of lease, easement, permit, license, or other agreement.

**In-Lease.** A type of in-grant in which NASA is the lessee/tenant and has the exclusive right to the property owned by the lessor/landlord for a specified period of time.

**Interim Facility Requirement.** A short-term (not to exceed three years) requirement for facilities caused by peaks in NASA missions or to satisfy other urgent requirements.

Land Improvements. The cost of nonpermanent, depreciable improvements to land used in general operations. Also includes similar costs to land subject to stewardship reporting, as well as land rights of limited duration that are associated with general operations. The distinction between land and land improvements is that while land has an indefinite life and is non-depreciable, land improvements have an estimated useful life (definite life) and are capitalized and depreciated. Examples of land improvements include parking lots, driveways, fences, and lawn and garden sprinkler systems.

**Lease.** A type of in-grant or out-grant where the owner of the property (the "lessor") grants to a lessee by written agreement the right to exclusive possession of the property by the lessee for a defined period of time. The lease

may contain provisions or conditions restricting the use of the property to ensure conformity with NASA mission.

**Lease Expiration.** The end of a lease term as specified in the lease.

**Lease Termination.** A right of either party to an in-grant or out-grant to end that agreement prior to the expiration date. The termination clause will be stated in the agreement, and the effective date of the termination will be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later.

**Lease-Purchase.** A type of lease in which ownership of the asset is transferred to NASA at, or shortly after, the end of the lease term. Such a lease may or may not contain a bargain-price purchase option.

**Leasehold Improvements.** NASA-funded costs of long-term capital improvements (for more than three years) to leases, rights, interests, and privileges relating to land not owned, but held, by NASA, such as easements, rights-of-way, permits, use agreements, water rights, air rights, and mineral rights. Leasehold improvements also include NASA-funded costs of improvements made to land, buildings, structures, and facilities, as well as easements and rights-of-way, where NASA is the lessee or the cost is charged to a NASA contract.

**Lessee.** Tenant: a person or group to whom a lease is granted.

**Lessor.** Landlord: a person or group who grants a lease.

**License.** A type of in-grant or out-grant where nonexclusive authority is granted to an individual or organization to do specified acts on the licensor's real property, without acquiring any ownership in the property. A license authorizes an act that would otherwise constitute trespass.

**Maintenance Costs**. Recurring, noncapital expenses for repair and upkeep of buildings or other structures, including infrastructure, to maintain facilities and equipment at the desired level.

**Memorandum of Understanding/Memorandum of Agreement.** A type of in-grant or out-grant that allows a Federal agency to use another Federal agency's real property for a specified period.

**Noncollateral Equipment.** When acquired and used in a facility or test apparatus, equipment that can be severed and removed after construction without substantial loss of value or damage to it or the premises where it is installed. Each such item is considered separately in relation to the capitalization criteria.

**Operating Costs.** Recurring noncapital expenses for day-to-day operations of buildings and other structures, including infrastructure; includes utility costs and maintenance costs.

**Operating Lease.** An in-lease that meets the following criteria: (a) Ownership of the asset remains with the lessor during the term of the lease and is not transferred to the Government at, or shortly after, the end of the lease term; (b) does not contain a bargain-price purchase option; (c) the term does not exceed 75 percent of the estimated economic life of the asset; (d) the present value of the minimum lease payments over the life of the lease does not exceed 90 percent of the fair market value of the asset at the beginning of the lease term; (e) the asset is a general purpose asset rather than being for a special purpose of NASA and is not built to the unique specifications of NASA as lessee; and (f) there is a private sector market for the asset.

**Other Structures.** Include construction and improvements of structures and facilities such as airfield pavements, harbor and port facilities, power production facilities and distribution systems, research and development facilities other than buildings, and roads and bridges. This classification also includes structures that are not completely enclosed, like picnic shelters, pavilions, and covered storage areas.

**Out-Grant.** Non-permanent transfer of rights to NASA real property to others by means of lease (or any other form of acceptable legal instrument that recognizes NASA as the landlord and the lessee as the tenant), permit, easement, right-of-way, license, SAA, and agreement; such as Memorandum of Understanding (MOU), Memorandum of Agreement (MOA), and concessionaire agreement.

**Out-Lease.** A type of out-grant in which NASA is the lessor/landlord and grants exclusive right to the lessee/tenant for the use of real property for a specified period.

**Permit.** A type of out-grant for a specific limited use.

**Public Benefit Conveyance.** A public benefit conveyance (PBC) allows the Federal Government to transfer title of surplus property to qualified state and local governmental agencies and private nonprofits for public uses for up to a 100 percent discount. Properties that qualify for a PBC can be used to provide educational, health care, and correctional facilities or to improve transportation, retain historic monuments, and beautify communities through park and recreational improvements. The intent of a PBC is to support property uses that benefit the community as a whole. A PBC can provide access to property for public and non-profit entities that may not otherwise have been able to acquire it for community uses.

**Public-Private/Public-Public Ventures (PPVs).** PPVs are out-grants of NASA real property to either private or public entities, such as a company or organization or to a public entity. PPVs are distinguished from other out-grants because they also include a partnership agreement between NASA and the grantee on a specific program or

project.

**Real Estate.** For the purposes of this NPR, real estate refers to the ownership interests in real property and may include fee simple ownership, leasehold agreements, easements, licenses, permits, or reversionary rights.

**Real Property.** For the purposes of this NPR, real property means land, buildings, structures, other structures and facilities, and leasehold improvements. Real property also includes installed collateral equipment (i.e., building-type equipment), as defined in NPR 9250.1.

**Real Property Accountable Officer.** A Government employee designated by the Center Director to be responsible for management and accountability of the real property assets under the Center's custody and control.

Real Property Management System. **NASA's automated method for recording,** maintaining, and reporting real property data. Information concerning every real property asset under NASA's management and control can be found in the RPMS. It contains such asset information as description, cost, utilization, condition, and associated transactions.

**Real Property Under Management Control.** The property for which NASA is the holding agency or for which NASA has custody and control. Real Property Record File. The documents managed by the RPAO at the Center for actions associated with all real property assets.

**Relocatable Buildings.** Buildings or other enclosed structures used as working space, shelter, or storage that are designed to be easily erected, dismantled, moved, and reused. This includes office/house trailers, prefabricated modular structures, tents, rigid and nonrigid inflatable structures, and similar structures. Relocatable structures may be either real or personal property. Specifically excluded from this definition are built-in-place, preengineered metal buildings, and wood-frame buildings.

**Repair Project.** Any project that keeps an asset in useable condition, including preventative maintenance, normal repairs, replacement of parts and structural components, and other activities needed to preserve the asset so that it continues to provide acceptable services and achieves its expected life. Repair projects exclude activities aimed at expanding the capacity of an asset or otherwise upgrading it to serve needs different from, or significantly greater than, those originally intended.

**Scoring.** An accounting treatment relevant to in-lease of real property by NASA. The determination of the in-lease as a capital or operating lease drives whether the lease costs are budgeted in the first year or spread over the life of the in-lease.

Signing Official. A NASA employee delegated the responsibility to execute agreements for NASA.

**Space Act Agreement Maker System.** A NASA electronic system for tracking and documenting the review and approval of proposed domestic Space Act Agreements and other real property documents.

**Utilities Systems.** Heating, sewage, water, and electrical systems that serve several buildings or other structures of an installation. When these systems serve a single building, the utility systems' costs are included in the cost of the building. Includes heating plants and related systems, gas lines, sewage plants, storm and sanitary sewer lines, water treatment plants, wells, pump houses, reservoirs, and pipelines. Also includes electrical substations, standby or auxiliary power plants, lighting structures, and conduits.

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